

**Before the  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

In re:

**Joint Application of Birch Communications,  
Inc.; Birch Telecom of the South, Inc., dba  
Birch Communications; and American  
Fiber Network, Inc. for Approval to  
Transfer Assets**

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**DIRECT TESTIMONY OF  
CHRISTOPHER BUNCE**

**on behalf of**

**Birch Communications, Inc. and Birch Telecom of the South, Inc.**

1    **Q.     Please state your name, title, and address.**

2    **A.**     My name is Christopher Bunce. I am the Vice President, Legal and General Counsel for  
3            Birch Communications, Inc. (“BCI”) and its subsidiary Birch Telecom of the South, Inc.  
4            doing business as Birch Communications (“Birch”). My business address is 2300 Main  
5            Street, Suite 600, Kansas City, Missouri 64108.

6    **Q.     Who are the Applicants?**

7    **A.**     BCI, Birch and American Fiber Network, Inc. (“AFN” or “Seller”) (BCI, Birch and AFN  
8            collectively, “Joint Applicants”).

9    **Q.     Briefly describe the Joint Applicants.**

10   **A.**     BCI and Birch are Delaware corporations with principal offices located at 3060 Peachtree  
11            Road NW, Suite 1065, Atlanta, Georgia 30305. Birch is a wholly owned subsidiary of  
12            BCI. The Commission granted BCI, formerly Access Integrated Networks, Inc. authority  
13            to provide local and interexchange distance telecommunications services on November  
14            15, 1999, in Order No. 1999-801. The Commission granted Birch authority to provide  
15            resold and facilities-based local exchange and intrastate interexchange  
16            telecommunications services by Order No. 2000-792 issued September 25, 2000, in  
17            Docket No. 2000-0265-C. Birch is qualified to do business in South Carolina as a  
18            foreign corporation.

19            AFN is a Delaware corporation with headquarters located at 9401 Indian Creek Parkway,  
20            Suite 280, Overland Park, Kansas 66210. AFN was authorized by the Commission to  
21            provide local exchange and interexchange services in Docket No. 2001-21-C, Order No.  
22            2001-36 issued on April 24, 2001.

23

1    **Q.    Whom do you represent?**

2    **A.    I represent BCI and Birch.**

3    **Q.    Are you familiar with the Joint Application submitted to this Commission?**

4    **A.    Yes, I am.**

5    **Q.    What authority is requested by the Joint Application?**

6    **A.    The Joint Applicants seek approval from the Commission to transfer the**  
7        telecommunications assets and South Carolina customers of AFN to Birch. Joint  
8        Applicants also request, to the extent required, that the Commission waive any applicable  
9        anti-slamming regulations. Because of the timing of the transaction and the proposed  
10       target date for the transfer of customers, the Joint Applicants further request that the  
11       Commission grant the relief requested herein on an expedited basis.

12   **Q.    Please describe the proposed asset transfer transaction.**

13   **A.    On September 3, 2010, BCI agreed to purchase AFN's assets and customer base pursuant**  
14       to a Sale Agreement pursuant to Article 9 of the Uniform Commercial Code  
15       ("Agreement"). The assets to be purchased include customer accounts, accounts  
16       receivable, customer agreements and contracts, vendor agreements and contracts, and  
17       intellectual property.

18   **Q.    What impact will this transaction have on AFN's South Carolina customers and will**  
19       **the proposed transaction serve the public interest?**

20   **A.    This transaction is being made in a seamless fashion that will cause virtually no changes**  
21       in customers' terms, conditions, and rates for service. The transfer will be nearly  
22       transparent to customers other than a change in the name of their service provider. The  
23       proposed transaction will also ensure that the affected customers enjoy continuity of

1 high-quality telecommunications service. Grant of the Joint Application is consistent  
2 with the public interest in South Carolina.

3 **Q. Will the customers to be transferred be notified of this transaction?**

4 A. Yes. Written notice of the proposed asset transfer will be provided to AFN customers via  
5 First Class United States mail as required pursuant to Section 64.1120(e) of the Federal  
6 Communications Commission's rules. A sample of the customer notification is included  
7 with the Joint Application in Exhibit A. The Joint Applicants include all relevant state  
8 and federal customer notification requirements in the notification letter. To the extent  
9 necessary, the Joint Applicants also request that the Commission grant a waiver of any  
10 applicable anti-slamming regulations.

11 **Q. Why have the Joint Applicants requested expedited treatment of the Application?**

12 A. Joint Applicants request that the Commission process the Joint Application on an  
13 expedited basis. Expedited treatment is warranted so that AFN's customers may be  
14 transferred to Birch with a minimum of disruption and confusion. In order to manage the  
15 transfer on a corporate-wide basis and to ensure that customer service is not impacted  
16 during this transition, it is important that the transfer of South Carolina customers take  
17 place on as uniform a schedule as possible. Expedited approval will help the Joint  
18 Applicants to proceed in an orderly and seamless fashion.


19 **Q. Does this conclude your testimony?**

20 A. Yes.

STATE OF MISSOURI           )  
  )  
COUNTY OF JACKSON        )


**VERIFICATION**

I, Christopher J. Bunce, declare that I am the Vice President, Legal and General Counsel for Birch Communications, Inc. ("BCI") and its subsidiary Birch Telecom of the South, Inc. ("Birch"). I verify that, based upon information and belief, I have knowledge of the statements in the foregoing Direct Testimony, and I declare that they are true and correct to the best of my knowledge, information and belief.

  
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CHRISTOPHER J. BUNCE

Subscribed and sworn to before me this 14<sup>th</sup> day of September 2010

**ANGELA A. HOKE**  
**Notary Public-Notary Seal**  
**STATE OF MISSOURI**  
Platte County  
My Commission Expires June 9, 2014  
Commission # 10887286

  
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Notary Public